

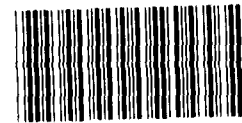
GAO

Briefing Report to the Chairman,
Subcommittee on Labor, Health and
Human Services, and Education and
Related Agencies,
Senate Committee on Appropriations

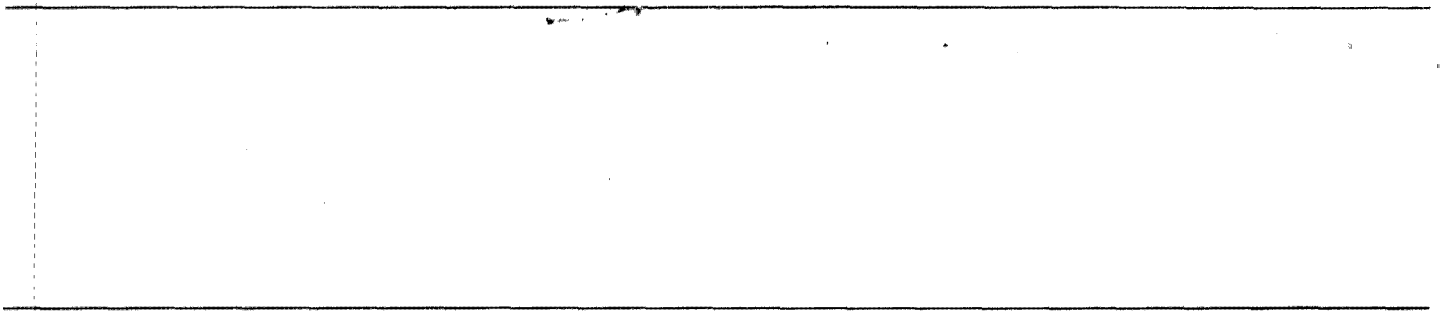
March 1986

MINE SAFETY

Labor's Progress in Doing Required Inspections



129258





UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

HUMAN RESOURCES
DIVISION

March 7, 1986

B-219199

The Honorable Lowell P. Weicker, Jr.
Chairman, Subcommittee on Labor, Health
and Human Services, and Education
and Related Agencies
Committee on Appropriations
United States Senate

Dear Mr. Chairman:

The Committee's report on the Department of Labor's fiscal year 1986 appropriations requested Labor to report on certain aspects of its mine inspection program. This request stemmed from our review of the Department's management, which disclosed shortfalls in certain required metal and nonmetal inspections. Specifically, the Committee's report asked Labor to report on the numbers of required, planned, and completed metal/nonmetal mine inspections for fiscal year 1985 and on the numbers required and planned for fiscal year 1986. The report also asked GAO to report on Labor's progress in performing these inspections.

The Federal Mine Safety and Health Act of 1977 directs Labor to inspect all underground mines four times a year and all surface mines twice a year. These inspections, termed regular inspections by Labor, are comprehensive assessments to determine if mines are adhering to federal health and safety standards. While Labor conducts other inspections required by the act, such as follow-up inspections and accident investigations, we were not asked to report on these activities. Mine inspections are performed by officials from Labor's Mine Safety and Health Administration (MSHA).

In May 1985, we told the Committee staff that MSHA conducted only about 60 percent of the required regular inspections of metal/nonmetal surface mines in fiscal year 1984, and its plans showed that the shortfall would continue into fiscal year 1985. Our October 21, 1985, report on the Department's management (GAO/HRD-86-12) included several recommendations to the Secretary of Labor to correct this problem. Labor agreed with our recommendations and initiated corrective actions.

On November 29, 1985, Labor gave you preliminary data on its required and completed regular metal/nonmetal inspections for fiscal year 1985 and its required and planned inspections for fiscal year 1986. We analyzed MSHA's management reports and other documentation related to that data and similar updated information

and discussed with MSHA officials our analyses and their activities to enhance inspection activities.

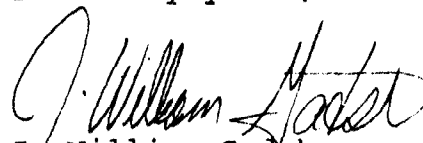
On February 10, 1986, we briefed your staff on MSHA's progress in its mine inspection program and provided information for the Subcommittee's use in its fiscal year 1987 hearings. This report contains the details of that briefing as well as additional information on Labor's first quarter 1986 regular mine inspection activities. Essentially, we found that MSHA:

- Made significant progress during fiscal year 1985 in performing mine inspections. The total metal/nonmetal surface mine inspection shortfall was 1,292 regular inspections, about 8 percent of the number required. On the other hand, the total number of underground mine inspections made exceeded the total required.
- Did not show the number of mines that received less than the required number of inspections. Our analysis showed that over 3,000 mines (about 27 percent of the metal/nonmetal mines under MSHA's jurisdiction) were not inspected the required times during fiscal year 1985.
- Plans to perform its required inspections in fiscal year 1986 using the current staffing level while making substantial productivity gains and certain staff reallocations.
- Completed, during the first quarter, inspections at a level which, if continued, would accomplish the required regular inspections for fiscal year 1986.

While we did not obtain official comments on this briefing report from the Department of Labor, we discussed the contents with the Assistant Secretary of MSHA and the administrator of the metal/nonmetal inspection program and considered their views in developing this document. As arranged with your office, we are distributing this briefing report to the Department of Labor and to interested congressional committees and members. Also, we will make copies available to others upon request.

If you desire additional information, or if we can further assist you, please call me at 275-2854.

Sincerely yours,



J. William Gadsby
Associate Director

LABOR'S PROGRESS IN DOING

REQUIRED INSPECTIONS

The Federal Mine Safety and Health Act of 1977 requires the Department of Labor to conduct inspections of all underground mines four times a year and all surface mines twice a year. These inspections, termed regular inspections by Labor, are comprehensive assessments to determine if mines are conforming to federal safety and health standards. Labor regulations permit mines that operate less than full time¹ to be inspected less frequently. In addition, Labor conducts other inspections required by the act, such as follow-up inspections and accident investigations, and some discretionary inspections.

The Secretary has delegated responsibility for carrying out these requirements to the Assistant Secretary of the Mine Safety and Health Administration (MSHA). Within MSHA, two components carry out inspection activities: (1) the administrator of Coal Mine Safety and Health, which inspects coal mines, and (2) the administrator of Metal and Nonmetal Mine Safety and Health, which inspects all other mines.

Our report, Strong Leadership Needed to Improve Management at the Department of Labor (GAO/HRD-86-12, Oct. 21, 1985), pointed out that MSHA neither planned to conduct nor conducted the required number of regular inspections during fiscal year 1984 for metal/nonmetal mines. The shortfall in coal mine inspections was not substantial during that fiscal year.

Our report estimated that, for fiscal year 1984, MSHA should have conducted 17,921 regular inspections of metal/nonmetal surface mines. MSHA records showed that 10,823 such inspections, or about 60 percent of the number required, were actually conducted in fiscal year 1984. Further, MSHA plans indicated that this situation would continue into fiscal year 1985.

We recommended that the Secretary of Labor direct the Assistant Secretary for Mine Safety and Health to

- revise MSHA's information system to provide periodic reports showing the numbers of inspections required, planned, and performed during the year;
- direct MSHA's field managers to give more emphasis to mandatory inspections;

¹Mines operating "less than full time" include two categories: (1) intermittent mines, which produce at some time during the year, and (2) nonproducing mines, which employ only maintenance workers.

- identify ways to improve productivity (particularly that of the inspectors);
- explore the feasibility of reallocating staff among district offices; and
- determine whether additional inspectors will be necessary to conduct the required number of inspections and, if so, take appropriate steps to secure the additional inspectors needed.

In its report on Labor's fiscal year 1986 appropriations, the Senate Appropriations Committee directed Labor to report to it by December 1, 1985, on the numbers of required, planned, and completed metal/nonmetal mine inspections for fiscal year 1985 and on the numbers required and planned for fiscal year 1986. In addition, the Committee directed GAO to monitor and report on MSHA's progress in doing these inspections.

INFORMATION MSHA REPORTED TO
SUBCOMMITTEE AND GAO ANALYSIS

On November 29, 1985, the Secretary of Labor reported to the Senate Appropriations Subcommittee on Labor, Health and Human Services, and Education and Related Agencies that MSHA had completed, or will carry out, several actions to (1) respond to our recommendations and (2) ensure that required inspections are conducted in fiscal year 1986. These actions included

- updating its management information system for the metal/nonmetal and coal programs to reflect a more accurate mine count and to provide improved reporting;
- establishing goals that place increased emphasis on completing required regular inspections;
- initiating a study of alternatives to improve productivity; and
- assessing staff imbalances in relation to workload and beginning to reallocate staff through voluntary transfers.

Labor reported also that because of increased emphasis on required regular inspections during the latter part of fiscal year 1985, it had experienced a less serious shortfall than we had estimated in our report. In addition, Labor reported that it would conduct an estimated 17,896 regular inspections in fiscal year 1986--the number required for the mines operating during that year. Labor said it could perform the 1986 required inspections without hiring additional mine inspectors.

During our recent work at MSHA, we found that its metal/nonmetal administrator issued several directives between June and December 1985 to field managers that addressed (1) increasing inspectors' productivity and (2) emphasizing required regular inspections. We also found that the fiscal year 1985 statistics reported to the Subcommittee were based on preliminary information. Since that time MSHA has given us updated information on regular mine inspection activities. The numbers of metal/nonmetal regular inspections required and completed as reported to the Subcommittee and the updated information we obtained are shown in table 1.

Table 1:
Fiscal Year 1985
Metal/Nonmetal Mine Inspection Data

<u>Type</u>	<u>Data sent to Subcommittee</u>		<u>Updated data provided to GAO</u>	
	<u>Number required</u>	<u>Number completed</u>	<u>Number required</u>	<u>Number completed</u>
Underground	1,466	1,590	1,444	1,465
Surface	<u>15,102</u>	<u>14,511</u>	<u>15,103</u>	<u>13,811</u>
Total	<u>16,568</u>	<u>16,101</u>	<u>16,547</u>	<u>15,276</u>

GAO COMMENTS ON MSHA'S FISCAL YEAR 1985 INSPECTION DATA

In analyzing MSHA's management reports and other documentation pertaining to the numbers of required regular inspections, we found that Labor has made progress, but the shortfall for fiscal year 1985 was higher than reported to the Subcommittee. Moreover, the data reported did not identify the number of mines that received less than the required number of regular inspections. While the Committee report did not specifically request this information, we believe that reporting the number of mines that did and did not receive all required inspections provides additional important indications of inspection compliance.

MSHA's updated numbers show that the total fiscal year 1985 surface metal/nonmetal inspection shortfall was 1,292 inspections (15,103 required - 13,811 completed), or about 8 percent of the total required, compared to about 4 percent of the total Labor reported based on preliminary information (15,102 required - 14,511 completed). However, the revised 1985 shortfall of 1,292 still represents a significant improvement over our shortfall estimate of 7,098 for fiscal year 1984. For underground mines, both the preliminary and final inspections completed exceeded the required

numbers. It should be noted that the updated numbers do not include about 600 inspections that were conducted on mines abandoned during fiscal year 1985 and were included in the data sent to the Subcommittee.

The shortfall in surface mine inspections was distributed unevenly throughout the metal/nonmetal districts. For example, the Northeast and Rocky Mountain Districts conducted more regular inspections, in total, than were required. On the other hand, the North Central District had a shortfall of about 26 percent of its total required inspections. MSHA has begun to address this problem by reallocating staff, a topic discussed in the following section.

In addition, reporting only the total numbers of required and completed regular inspections does not identify the number of mines that did not receive the required number of inspections. To illustrate, according to MSHA reports, some mines were inspected more often than required by the act or MSHA policy. These extra inspections, when they are included in the aggregate completed inspection figures, offset underinspection of other mines.

According to our analysis, 3,012 (over 27 percent) metal/nonmetal underground and surface mines were not inspected the required number of times during fiscal year 1985. Table 2 shows this shortfall by type of mine.

Table 2:
Fiscal Year 1985
Metal/Nonmetal Mines Not Receiving
All Required Inspections

<u>Type</u>	<u>Total mines</u>	<u>Not receiving all required inspections</u>	
		<u>Number</u>	<u>Percent</u>
Underground:			
Full time	246	16	6.5
Intermittent	138	28	20.3
Nonproducing	92	14	15.2
Surface:			
Full time	4,504	1,010	22.4
Intermittent	5,964	1,893	31.7
Nonproducing	<u>131</u>	<u>51</u>	38.9
Total	<u>11,075</u>	<u>3,012</u>	27.2

Mines receiving fewer than the required number of inspections ranged from 16 percent in the Northeast District to 40 percent in the North Central District.

GAO COMMENTS ON PROJECTED FISCAL
YEAR 1986 INSPECTION ACTIVITIES

Labor reported to the Subcommittee that it believed that the 17,896 required inspections for fiscal year 1986 could be met with existing resources. MSHA's revised estimates provided to us show it will need to perform 17,211 regular metal/nonmetal inspections, or about 2,000 more than it performed in fiscal year 1985. According to MSHA officials, it will handle the increased workload within the current staffing level by (1) increasing the time inspectors spend on regular inspections as opposed to other activities, (2) decreasing the time per regular inspection by reducing administrative activities, and (3) reallocating staff resources among its districts.

MSHA has records showing the average time spent on regular inspections by inspector-year for each field station and district. These productivity data allow the agency to identify those locations that are above the national average and those that are below and, hence, may need improvement. According to the administrator of the metal/nonmetal program, as of February 1986, MSHA was in the process of identifying the causes for variations in productivity, prescribing how improvements will be made, and determining how district managers will be held accountable for these improvements. As part of this process, MSHA has begun (1) identifying activities that are not required which should be reduced, (2) studying possible changes in reporting and other paperwork requirements, and (3) reviewing the current metal/nonmetal field organizational structure.

Early in fiscal year 1986, MSHA analyzed its staffing needs for the six metal/nonmetal districts and concluded that it could complete all required regular inspections with existing staff levels. However, four districts will need additional inspectors to meet all requirements, while one, the Rocky Mountain District, had a surplus of about 25 inspectors. MSHA officials believe this overstaffing occurred because many mines in that district have closed as market prices for various metals have fallen. To achieve a staffing balance, MSHA began a program of voluntary staff transfers from the Rocky Mountain District to the understaffed districts. As of early January 1986, nine inspectors had volunteered to transfer, leaving five to nine vacancies each in the four understaffed districts.

ACTUAL FIRST QUARTER FISCAL
YEAR 1986 INSPECTION ACTIVITY

According to our analysis, about 25 percent of the total required regular metal/nonmetal mine inspections for fiscal year 1986 were performed during the first quarter. For all of fiscal

year 1986, MSHA estimated it would need to perform 17,211 regular metal/nonmetal inspections. For the first quarter, it conducted 4,315 such inspections, or 25.1 percent (25.5 percent for underground and 25.0 percent for surface mines). By district, the completion percentages ranged from 27.8 percent (Rocky Mountain) to 21.5 percent (North Central).

According to an MSHA report, of the 250 underground metal/nonmetal mines that should have been inspected during the first quarter of fiscal year 1986, 97.6 percent were inspected. MSHA's internal management reports for the first quarter of fiscal year 1986 did not show how many surface mines received the required inspections because such mines need to be inspected only twice a year. Therefore, MSHA will not report this information until it accumulates two quarters of surface mine inspection data.

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